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APPENDIX.

MONETARY TREATY BETWEEN THE GERMAN STATES OF JANUARY 24, 1857.

WHEREAS, The Empire of Austria and the principality of Liechtenstein, on the one hand, and the states of the German Customs Union, bound together by the general monetary treaty of July 30, 1838, on the other hand, have come to an understanding for the purpose of entering into special negotiations, as pre-arranged in Article 19 of the Commerce and Customs Treaty of February 19, 1853, in order to conclude a common agreement in regard to coinage, plenipotentiaries have been named for this purpose as follows:

[Here follows a list of the plenipotentiaries taking part in the convention.]

These plenipotentiaries have therefore duly discussed and concluded the following Monetary Treaty.

Article 1.—The pound, of a weight of 500 grams, such as is already in use in the collection of the customs taxes, shall serve as the basis of the coinage system in the contracting states, and shall be introduced into their mints as the exclusive standard weight; and for this purpose this pound shall be divided into thousandth parts, with further decimal subdivision.

Article 2.—While retaining intact the single silver standard, and on the basis of this new pound, the mintage of the contracting states shall be so regulated that, according as the method of reckoning which is now current, or which may be introduced, in each of the states may be by the Thaler and Groschen, or by the Gulden with division into 100 parts, or by the Gulden and Kreutzer, the basis of the monetary system of the country shall be:

either the thirty-thaler basis (in place of the fourteen-thaler basis heretofore in use) at 30 thalers to the pound of fine silver;

or the forty-five-gulden basis at 45 gulden to the pound of fine silver;

or the fifty-two and one-half-gulden basis (in place of the basis of 24½ gulden heretofore in use) at 52½ gulden to the pound of fine silver.

Article 3.—More specifically,

a) In the kingdom of Prussia, exclusive of the Hohenzollern domains, in the kingdoms of Saxony and Hanover, in the Electorate of Hesse, in the Grand Duchy of Saxony, in the Duchies of Saxe-Altenburg, Saxe-Gotha, Brunswick, Oldenburg with Birkenfeld, Anhalt-Dessau and Anhalt-Bernburg, in the Principality of Schwarzburg-Sondershausen and the Subordinate Lordship of the Principality of Schwarzburg-Rudol-

stadt, in the Principalities Waldeck and Pyrmont, Reuss of the senior line and Reuss of the junior line, Schaumburg-Lippe, and Lippe, the thirty-thaler basis;

b) In the kingdom of Austria as well as in the kingdom of Liechtenstein, the forty-five-gulden basis;

c) In the kingdoms of Bavaria and Würtemberg, in the Grand-duchies of Baden and Hesse, in the Duchy of Saxe-Meiningen, in the Principality of Saxe-Coburg, in the Hohenzollern domains in Prussia, in the Duchy of Nassau, in the Overlordship of the Principality of Schwarzburg-Rudolstadt, in the Landgraviate of Hesse-Homburg and in the free state of Frankfort;

The fifty-two and one-half-gulden basis, shall be recognized and introduced as the monetary system of the country and as basis of the legal currency.

Conformably hereto there shall be comprised:

under the Thaler standard, the coins of the thirty-thaler basis and of the fourteen-thaler basis respectively,

under the Austrian standard, the coins of the forty-five-florin basis,

under the South German standard, the coins of the fifty-two and one-half-florin basis and those of the twenty-four and one-half-florin basis, respectively.

Article 4.—The coins of the thirty-thaler and fifty-two and one-half-florin systems shall be rated as exactly equivalent to the coins of like names struck heretofore according to the fourteen-thaler and twenty-four and one-half-florin basis, in such manner that in all payments and obligations, so far as the special agreement at the close of Article 8 is not affected thereby, no distinction between the old coins of the fourteen-thaler and twenty-four and one-half-florin systems, and the new coins of the thirty-thaler and fifty-two and one-half florin systems may be made.

Article 5.—Each of the contracting states shall limit its coinage to such coins as are conformable to the system of reckoning corresponding to the coinage system agreed upon (Articles 2 and 3); nevertheless, by exception, the right is reserved to Austria to continue coining, as trade coins, the so-called "Levantine Thalers," with the likeness of the Empress Maria Theresa, and with the date 1780, of the same metallic content and alloy as the like coins of that year.

The smallest authorized fractional coins struck under the several national coinage systems shall be:

The one-sixth thaler piece on the thirty-thaler basis;

The one-fourth florin piece on the forty-five-florin basis;

The one-fourth florin piece on the fifty-two and one-half-florin basis.

The contracting governments bind themselves to limit their coinage of fractional coin to their necessary requirements.

Article 6.—The several contracting governments bind themselves, in the coinage of the larger silver coins, and therefore with respect both to their principal coins and to the subdivisions of these—the subsidiary coins—to adhere scrupulously to their national monetary basis (Article 3) and to exercise the greatest possible care that the individual coins be uniformly struck of full fineness and weight. In particular, they reciprocally agree upon the principle that the coins shall not be reduced in fineness or weight under pretense of a so-called allowance [*Remedium*], but that on the other hand no deviation from the proper fineness or weight of these coins shall be tolerated except so far as absolute accuracy is impossible of attainment.

Article 7.—The fineness shall be expressed in thousandth parts.

In determining the fineness of the silver coins the assay shall everywhere be performed by the liquid process.

Article 8.—For the accommodation and facilitation of international trade among the contracting states, two coins, answering to the specifications of the principal coins, provided for in Article 2 and on the monetary basis there contemplated, shall be struck under the denomination of Union thalers [*Vereinsthaler*], to wit:

(1) A one-thaler piece of the Union standard with a content of $\frac{1}{30}$ of the pound of fine silver and of a value equal to one Reichsthaler on the thaler standard, or 1 ½ florins on the Austrian standard, or 1 ¾ florins on the South German standard, respectively;

(2) A two-thaler piece of the Union standard, with a content of $\frac{1}{15}$ of the pound of fine silver, and of a value equal to two Reichsthalers on the thaler standard, or three florins on the Austrian standard or 3 ½ florins on the South German standard, respectively.

To these coins of the Union shall be accorded an unqualified legal-tender currency, just as to the native coins of each country, at their established value, throughout the entire territory of the contracting states, at all state, municipal and other public treasuries, as well as in private business, and especially also in international exchange. Furthermore, no one may decline to accept these coins at their full value, even in case a promise to pay stipulates a specified coin belonging to the native coinage system. Nevertheless, it shall be permissible for any person in any of the contracting states expressly to stipulate that payment shall in any case be made in the coins of the Union, with the effect that in such case payment must be made exclusively in such coins of the Union.

Article 9.—The two-thaler pieces (or the 3 ½ florins, as the case may be) struck by the states hitherto constituting a coinage union under the terms of the General Monetary Treaty of July 30, 1838, shall, in every instance, be accorded like treatment with the coins of the monetary system of the present Union (Article 8).

The one-thaler pieces struck under the terms of the General Monetary Treaty of July 30, 1838, as well as those struck prior to the year 1839 on the fourteen-thaler basis previously obtaining, shall be accorded an unqualified legal-tender character in all the contracting states, equally with the native coins.

Article 10.—The composition of the coins of the Union shall be fixed at 900 thousandths fine silver and 100 thousandths copper. Pursuant to this provision, 13½ double or 27 single thaler pieces of the Union shall weigh one pound. Deviations above or below these limits, in accordance with the principle recognized in Article 6, may not exceed 3 thousandths as regards fineness; as regards weight, the deviation may not exceed 4 thousandths of the gross weight for each one-thaler piece of the Union, while as regards the two-thaler pieces the deviation may not amount to more than 3 thousandths of the gross weight.

The diameter of the one-thaler piece shall be fixed at 33 millimetres, and of the two-thaler piece at 41 millimetres. Both shall be coined in a circular form, with a smooth raised edge and a sunk inscription or ornamentation.

On the obverse of the coins shall be stamped the likeness of the sovereign, and in the case of the free city of Frankfort its symbolic device.

The reverse must bear in the inscription around the arms of the country a declaration of what proportional part of fine silver the coin contains, and a specific designation, as one-thaler piece of the Union and as two-thaler piece of the Union, respectively, besides the year. This latter must always give the year of actual coinage.

Article 11.—The amount of the coinage of the two-thaler denomination is left to the discretion of each individual state. Whereas of the one-thaler piece there shall be coined

1) During the period from 1857 to December 31, 1862, by each of the contracting states, at least 24 pieces to each 100 souls of its population,
2) In the succeeding years, from January 1, 1863, on, within each successive four-year period, at least 16 pieces to each 100 souls of the population.

Article 12.—The new coins of the Union will from time to time be tested by the contracting states, as respects their fineness and weight, who will thereupon inform one another of the results obtained in this regard.

In case the coinage of any one of the governments concerned shall unexpectedly be found not to correspond in fineness or weight with the standard fixed by the treaty, such state incurs the obligation either at once, or upon an award by arbitration, to call in the whole of the coins of the Union struck by it during the year in which such defective coins were minted.

Article 13.—The several contracting states bind themselves never to depress the value of their larger silver coin below the nominal value, nor to

declare such coins out of circulation except after a period of redemption of not less than four weeks' duration, and preceded by public notice of their withdrawal, of not less than three months.

Each state likewise binds itself gradually to call in the coins aforesaid, including the coins of the Union struck by it, to be melted down whenever, in consequence of long circulation and wear, the coins have undergone an appreciable diminution in the value of the metal originally contained by them. Each state will also receive at all its treasuries such worn coins as have been so far defaced as to render their devices indistinct, at their full value, in accordance with the terms of their emission.

Article 14.—It is provided that smaller coins, both of silver and copper, of a standard of value lower than that of the coinage system of the country (Articles 2 and 3), and of a normal value corresponding to the latter, may be issued for the purposes of retail trade and of change.

Such coins shall always bear in their device the specific designation "Scheidemünze," and may not, if of silver, exceed in value one-half of the smallest current fractional coin; or if of copper not to exceed 6 and 5 pfennige respectively, or 4-hundredths pieces and two-kreutzer pieces respectively. In none of the contracting states is the nominal value of the copper coins to be expressed as a fractional part of a higher monetary denomination. It must be expressed as unity, or some higher multiple, or as a fraction of the value attributed to the smallest standard coin, as pfennige, kreutzer, etc.

Silver subsidiary coins may not in future be struck in any of the contracting states, of a lower coinage standard than 34½ Reichsthalers on the thaler basis, 51¾ florins on the Austrian basis, or 60⅛ florins on the South German basis.

With regard to the coinage of the copper subsidiary coin, their nominal value may not exceed the rate of 112 Reichsthalers on the thaler basis, 168 florins on the Austrian basis, and 196 florins on the South German basis, per custom-house hundredweight of copper.

The several contracting states mutually bind themselves not to put in circulation more silver and copper subsidiary coin than is required for the needs of each country for payments in small business transactions and for change. They will also withdraw the subsidiary coins at present actually in circulation to the extent to which the amount outstanding may now exceed these requirements.

No person within the territory of the contracting states shall be obliged to accept payment in subsidiary coin to an amount exceeding the value of the smallest of the larger coins (Art. 5).

Article 5.—Each of the contracting states pledges itself:

a. Never to depress its silver and copper subsidiary coins below their nominal value, nor to declare them out of circulation except after a

period of redemption of at least four weeks' duration, preceded by public notice of not less than three months prior to their final demonetization;

b. To withdraw and melt down the coins in every case when, as a result of too long circulation and abrasion the devices have become indistinct; the withdrawal to be effected at the same value at which the coins have been put in circulation;

c. To redeem its own fractional coin of all sorts at their nominal value; such redemption to take place on demand, at treasuries to be designated, in larger coins having a legal circulation in the country.

But the amount of subsidiary silver coin presented for redemption at any one time may not be less than 20 thalers or 40 gulden, and of subsidiary copper coin not less than 5 thalers or 10 gulden.

Article 16.—The determination of the rate at which the coins of the national coinage standard already in force, as well as subsidiary coins, are to be redeemed or retained in circulation within the territory subject to the 45-florin basis, during the transition to the new coinage standard, is reserved to the discretion of the several governments interested, in accordance with the terms of Article 19 of the Commerce and Customs Treaty of February 19, 1853.

Article 17.—The provisions specified in Articles 13 and 15 with respect to the acceptance of the larger silver coins and subsidiary coins at the state treasuries at their full value, do not apply in the case of coins punched or lightened otherwise than by ordinary use in circulation, nor in the case of counterfeit coin.

Article 18.—In order to the greater facilitation of international trade between the states, and for the furtherance of commerce with outside countries, the contracting states also permit the minting of gold trade-coins of the Union under the designations "crown" and "half-crown," to wit:

1) The crown containing $\frac{1}{50}$ of the pound of fine gold;

2) The half-crown containing $\frac{1}{100}$ of the pound of fine gold.

Other gold coins will not be struck by the contracting states. Nevertheless, Austria, by exception, reserves the right to coin ducats of the same kind as heretofore, up to the end of the year 1865. The value in silver of the gold coins of the Union shall in ordinary business transactions be regulated solely by the relation of supply to demand; and for this reason these coins are not endowed with the character of a legal-tender substitute for the standard silver coinage of the country, nor may any person legally be required to accept them as such.

Article 19. The composition of the gold coins of the Union is fixed at 900 thousandths gold and 100 thousandths copper. Forty-five crowns, or ninety half crowns shall accordingly weigh one pound. The limit of tolerance must, in accordance with the terms of Article 6, not exceed two parts in

one thousand in fineness, while the tolerance in the weight of the individual pieces — crowns or half-crowns — must not exceed 2.5 parts in one thousand. In determining the fineness of the gold coins the method of assay already fixed upon by the Union shall be employed in every case.

The diameter of the gold coins of the Union shall be fixed at 24 millimetres for the crown and 20 millimetres for the half-crown. Both shall be circular in form, with a smooth, raised edge, and with a sunk inscription or ornamentation.

On the obverse of the coins shall be stamped the image of the ruler, and, in the case of the free city Frankfort, the arms of the city.

The reverse must bear a declaration of the fractional part of the pound of fine gold contained in the coin, the date, and an explicit designation as coin of the Union, as well as the name of the coin, all surrounded by a wreath (*corona*), of oak leaves open above, together with the year. The latter must give the actual year of coinage.

Gold coins of the Union which contain the normal weight of $\frac{1}{45}$ and $\frac{1}{90}$ of the pound, respectively, with the permissible variation in weight of $2\frac{1}{2}$ parts in the one thousandth (mint allowance), and which have not been reduced in weight by violent or illegal injury, shall pass current in all payments as full weighted.

Article 20. The provisions of Articles 6 and 12 are similarly applicable to the gold coins of the Union. The contracting states, however, incur no obligation to withdraw at public cost, or to receive into the public treasuries at the original value of the metal, such of the gold coins of the Union as, in consequence of circulation, abrasion, etc., have suffered a diminution in the value of the metal originally contained by them.

Whatever regulations a state may formulate with respect to the circulation of these gold coins within its jurisdiction, particularly as respects their acceptance at the state treasuries, the deduction to be made on payment into the state treasuries due to lessened weight and to cost of coinage, withdrawal, recoinage, etc., as well as regulations governing the police surveillance of these gold coins, shall apply without further provision to gold coins of the like denomination issued by the other contracting states.

Gold coins of the Union which do not reach the weight required (Article 19), and which have been received by the state treasuries and by the public establishments existing under the authority of the state, such as money and credit establishment, banks, etc., may not be paid out again by the public treasuries, or the establishments aforesaid. In accepting such gold coins, a corresponding deduction may be made for deficient weight, to the state treasuries, which is to be fixed at a specified rate for every $\frac{1}{10}$ thousandth of a pound (50 milligrams), by which the coin falls short of the normal weight of $\frac{1}{45}$ and $\frac{1}{90}$ of one pound, respectively, plus a surcharge of $\frac{1}{2}$ per cent. of the par value to cover the cost of recoinage.

Article 21.—The contracting states shall take care that the single silver standard which is adopted as the basis of the coinage system of the country shall in no wise be disturbed or trenched upon. With respect to this provision it is to be noted that:

a) It is fully reserved to each state to admit the gold coins of the Union (Article 18) to its treasuries as a substitute for payment in silver at a previously specified rate and to extend this acceptance to all payments and treasuries or only to particular ones. Such a specified valuation must, however, be limited to a period of six months at the longest, and must, at the expiration of the last month, in every case be renewed for a new period of acceptance. The rate at which the coins shall be received into the treasuries shall not be fixed at a higher valuation for each sort of coin than the average value of that coin which has prevailed in ordinary open-market transactions during the six months preceding. The right is also reserved to each government at any time during the period set, to alter this rate of reception or to withdraw it at will;

b) The fixation of a rate of acceptance at the treasuries shall moreover apply only to the gold coins of the Union and shall not apply to other kinds of coined gold;

c) The notification by which the rate of acceptance at the treasuries is fixed, shall be given the greatest possible publicity. This notification must be issued just before the beginning of a new period, even when no alteration of the rate of acceptance for the next following period is contemplated, and shall contain,

  aa) A statement of the average commercial value, in the principal markets, during the six months immediately preceding,

  bb) The rate of acceptance fixed upon,

  cc) The length of time for which it is so fixed,

  dd) Reservation of the right, in case of necessity, to alter or reduce this valuation, as the case may be, before the expiration of the specified time (*cc*),

  ee) An explanation that this rate of acceptance holds only for payments to be made to the public treasuries;

d) In the territories of the contracting governments it is furthermore not permissible for the state treasuries, or for the public institutions existing under the authority of the state, especially money and credit institutions, banks, etc., to stipulate for an optional payment in silver or gold on obligations payable by them, in such wise as to specify beforehand a value of gold in terms of silver.

Article 22.—No one of the contracting states may issue or permit to be issued legal-tender paper money unless provision be that such paper shall in every case be exchangeable on the demand of the holder for full-weight sil-

ver coins. The exceptions to this rule, possibly existing at present, are to be abolished by January 1, 1859, at the latest.

Paper money, or other tokens of value circulating as money, which have been issued, either by the state itself or by other institutions existing under its authority, shall in future be redeemed only in silver and in the legally established standard of the country.

Article 23.—Such of the contracting states as are bound by the General Monetary Treaty of July 30, 1838, agree among themselves that, from the time when the present agreement goes into operation, they will immediately put its regulations in force in place of the regulations agreed upon in the said Monetary Treaty, and that provisions of the latter are hereby extended for the entire period covered by the former (Article 27).

Likewise, the special agreements settled upon with respect to the coinage system between the states which have heretofore made use of the 14-thaler basis on the one hand, and those states which have hitherto made use of the 24½-gulden basis on the other hand, in particular the coinage treaty and special agreement regarding subsidiary coins dated Munich, August 25, 1837, the special agreement by protocol, dated Dresden July 30, 1838, and the treaty dated Munich, March 27, 1845, shall continue to be considered as existing in full force, so far as the individual regulations therein are not altered through the operation of the present treaty, or are not altered by the states involved, by agreement among themselves.

Article 24.—The contracting states shall communicate to one another all laws and ordinances which may be passed for the regulation of the coinage system under the provisions of the present treaty, as well as the agreements entered into by them among themselves for carrying it out.

They likewise pledge themselves to communicate to one another, as well as to the public, at the expiration of each year, an official statement of the coinage of every sort which has taken place in the course of the last year, together with any withdrawals of the various sorts of coin, and in both cases also to publish the aggregate amount of all coins of every sort which have been minted since the adoption of the existing monetary system.

Article 25.—The monetary agreement annexed to the present Treaty as Supplement IV., concluded at the same time with the Customs and Commerce Union of February 19, 1853, continues in force in the future with such effect as to replace the monetary agreement among the states bounded by the German Customs and Commerce Union, dated Karlsruhe, October 21, 1845, and shall hold between the latter, and have the same duration as the present treaty.

Article 26.—The contracting governments declare themselves ready, in case other German states, or such extra-German states as belong to one of the two customs-unions, wish to join the present monetary agreement, to meet this wish by negotiation undertaken with that view.

Article 27.—This treaty shall continue in force until the end of the year 1878; after that time it will continue in force from five-year period to five-year period, provided that neither party declares its withdrawal from the treaty, and provided that it is not replaced by an agreement to a different effect.

Such a withdrawal, however, may take place only in case the government in question has signified to the other contracting governments its intention to withdraw, at least two years before the expiration of the treaty, as determined either by the original agreement or by tacit prolongation as above provided; in which case, further action shall immediately be taken by the several states of the Union by the means of an amicable understanding to consider and pass on the occasion of such withdrawal as well as to take action on the withdrawal itself.

Article 28.—The present Treaty shall be ratified as soon as possible, and shall go into effect May 1, 1857.

[The *Separat-Artikel* appended to the treaty, regulating the methods to be pursued in detail in coinage and issue of coins under the treaty, are omitted. Such of the provisions contained in them as are of importance to an understanding of the monetary question, are spoken of in the paper. "The Vienna Monetary Treaty of 1857" (pp. 187–207), to which this translation is an appendix.]